

TRS Service Credit

A Summary

This section contains information about service credit for members of the Teachers' Retirement System (TRS). The information in this section applies to members reported on the transmittal and to substitute teachers who may apply for service credit.

Rules that govern service credit are contained in state retirement law. This handbook summarizes those rules in less legalistic terms. It is not a complete description of the law. If there are any conflicts between what is written here and state retirement law, the law will govern.

Service Credit Rules

Plan 1—All Periods

TRS Plan 1 members earn service credit annually. A member earns a full year or a fraction of a year of service credit based on the number of days of employment.

- If employed for 144 full time days or more, the member earns one year of service credit for the fiscal year (July—June).
- If employed for at least 20 but less than 144 full time days during the year, the member earns a fraction of a year of service credit. The amount of service credit is based on the number of days of employment. For example, if a member has 120 days of employment, the member earns .67 of a year of service credit (120 divided by 180 days = .67).

Plan 2 or Plan 3—September 1, 1991, and After

A TRS Plan 2 or Plan 3 member earns 12 months of service credit if the member is:

- employed in an eligible position;
- compensated in nine months of the school year;
- compensated for 810 hours or more in the year; and

- employed during the month of September.
- A member cannot earn service credit for months before employment in an eligible position. A member who meets the criteria for a full year of service credit but is not employed in an eligible position until October can receive only 11 months of service credit that year.

A TRS Plan 2 or Plan 3 member earns six months of service credit if the member is:

- employed in an eligible position;
- compensated in nine months of the school year; and
- compensated for at least 630 hours but less than 810 hours in the year.

A TRS Plan 2 or Plan 3 member who does not meet the criteria for earning a full year or ½ year of service credit earns service credit for each month of employment as follows.

- A member compensated for 90 hours or more in a month earns one month of service credit.
- A member compensated for at least 70 hours but less than 90 hours earns ½ month of service credit.
- A member receiving some compensation but for less than 70 hours in a month earns ¼ month of service credit.

Plan 2 or Plan 3—Prior to September 1, 1991

Before September 1991, a TRS Plan 2 or Plan 3 member earned a full year of service credit if the member was:

- employed in an eligible position;
- compensated in nine months of the school year; and
- compensated for 810 hours or more in the school year.